

Before the
Federal Communications Commission
Washington, D.C. 20554

In re:)	
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)	
Amendment of Section 73.202(b))	MB Dkt No. 05-144
Table of Allotments)	RM-11189
FM Broadcast Stations)	
Dalhart and Perryton, Texas)	
)	

DECLARATION OF SHARON ELLZEY

I, Sharon Ellzey, hereby declare as follows:

1. My name is Sharon Kaye Ellzey. I am the sole shareholder of Perryton Radio, Inc., licensee of Stations KEYE-FM and AM (Perryton, Texas). I acquired Perryton Radio in 1977. I have owned, and with my employees have run, the company ever since.

The Radio Market in Perryton is Limited.

2. Perryton is a small town in the Texas Panhandle. It is the county seat and commercial center of Ochiltree County, offering retail and banking and commercial services in support of Ochiltree's largely agrarian and oil-based economy. The town of Perryton has roughly 8,000 residents, and the population of all of Ochiltree County is roughly 9,000. Median household income in Ochiltree was \$38,013 in 2000. Roughly 16 percent of the county's residents have a college degree, and less than 70 percent have a high school diploma.

Station KEYE Brings a Valuable Service to the Community.

3. Stations KEYE AM and FM are able to survive, and sometimes to generate a profit, in this extremely limited market by airing programming that is of real interest to the community. We broadcast news and information that is of particular interest to local farmers, cattlemen and oilmen. We also cover local school activities, and local sports, such as the football and basketball games of Perryton High School and of Canadian High School. Examples of some of our programs are weekly reports from the respective superintendents of Canadian, Spearman and Perryton schools, and weekly reports from the Chamber of Commerce. This truly local programming differentiates us from our competition: the huge Class-C FM signals that come out of cities like Amarillo.

4. We are an essential part of the community of Perryton. We provide valuable news and information to listeners, and we also provide an essential vehicle for the advertisement and promotion of local goods and services. Numerous local business leaders have told me that they believe our local radio station is essential to their success, because absent a vehicle through which they could promote their goods and services, local consumers likely would simply drive to Amarillo or other regional commercial centers.

Station KEYE-FM is Closely Associated With the "96" Frequency.

5. Ever since KEYE-FM went on the air in the late 1970s, it has been located roughly at 96 MHz. When it first went on the air, it was at 95.9 MHz, and later the frequency was changed to 96.1 MHz. In each case, listeners expected to (and did) find KEYE's programming at the "96" location on their FM dials.

6. We have always marketed and advertised KEYE as the “96” frequency. Until the mid-1990s we advertised and referred to the station as “FM-96.” We then began using the digital frequency, 96.1. We now refer to the station on-air as “ninety-six point one,” or “classic hits ninety-six-one.” The station logo is built around the oversized numerals “96” and the word “one.” A copy of our logo is reproduced below.



7. We use our “96-one” logo in a variety of promotions and settings. We include the logo, for example, on the shirts and jackets that station personnel wear, and on a variety of promotional and give-away items (such as high school sports schedules), bumper stickers and the like. It is on our stationary and business cards, and appears on all of our signage – from the station banners that we use at remote broadcasts and events, to the magnetic signs we put on our vehicles. We have invested considerable money and effort into building the “brand” of “96-one” in Perryton.

8. The listening public knows and expects to find KEYE’s programming at 96.1 MHz on their FM radios. Listeners tune in for our mix of “classic hits” music and local news sports and weather, and indeed I believe that at this point people sometimes tune their dials to 96.1 almost out of habit. Moreover, many people have set the pre-

set buttons on their radios to 96.1. This is no accident, of course, as we have spent significant resources to convince listeners that they *should* tune in to 96.1. Radio listeners in Perryton and our surrounding listening area have come to expect that they will receive KEYE's programming when they tune into 96.1, and they routinely do so.

9. We would lose all benefit of our investment in the "96-one" brand were we required to change frequencies, and we would lose the benefit of the community's listening habits and expectations were we required to change frequencies.

Radio Dalhart's Listening Area Would Overlap the Current Listening Area of KEYE -FM.

10. The northern Texas panhandle, where KEYE-FM is located, is mostly flat, and wide open. Radio signals in this terrain carry for great distances. KEYE-FM's actual listening area extends in a roughly sixty mile radius from the town of Perryton.

11. For example, we believe that we have significant listenership in the towns of Canadian, Spearman, and Gruver. We carry local programming related to, and have attracted local advertising in those towns.

12. The signal of KXIT is already audible in many places in which KEYE's signal is audible as well. It appears that Radio Dalhart's proposed modifications would increase the power and greatly extend the listening area of KXIT. By way of reference, The KXIT web page advertises that it KXIT can heard "from south of Amarillo to Shamrock to the east [to] Goodwell Oklahoma to the [n]orth." This statement appears on the web page: <http://www.kxit.com/KXIT.htm>.

13. If one extrapolates a signal contour that extends from Shamrock, Texas to Goodwell, Oklahoma, this signal contour clearly includes much of the western and

southern part of the KEYE listening area – including the towns of Spearman and Gruver, and various other areas currently served by KEYE on 96.1.

KEYE-FM Would Lose Listeners (Some of them to KXIT) and Revenues Because of the Frequency Change.

14. There is no question that KEYE-FM would lose listeners in connection with the proposed frequency change. People who now tune in to 96.1 would not find KEYE-FM at that frequency. Some of them might find KEYE-FM on the new frequency, and they might change their listening habits and radio pre-sets accordingly. But many of them would likely wander off to other stations.

15. The most outrageous part of this proposal is that many of the former listeners to KEYE-FM would likely end up listening to Radio Dalhart's KXIT. As described, KXIT's signal on 96.1 would penetrate well into the current listening area of KEYE-FM on 96.1. It appears that KXIT has and will continue to use a "classic hits" format substantially similar to KEYE-FM's "classic hits" format. It is undeniable that many of KEYE-FM's current listeners will tune their radios to 96.1, and upon finding a decent signal with classic hits music, they will simply continue listening, unaware that they are now listening to KXIT.

This Loss of Listeners Could Jeopardize the Viability of KEYE-FM.

16. In my opinion, this loss of listeners would significantly reduce the advertising revenues of KEYE-FM, and would likely cause real financial hardship for the station.

17. As I have described, the Perryton market is not particularly lucrative. It is possible that station KEYE-FM might not survive a significant decrease in listeners.

The Costs of Changing Frequencies Would Be Significant, and Radio Dalhart's Commitment to Pay is Dubious.

18. I have, together with my staff and my consulting engineers, developed preliminary estimates of the work and costs involved in the proposed frequency change. In order to re-tune our current transmitter, for example, we would have to send it back to the manufacturer in Boston. We would need a new antenna and likely need a new exciter, and various other equipment. The change would require the services not only of engineers, but also of a tower crew. On the purely technical side, it appears that the dollar costs would be in the range of \$20,000 to \$50,000 (and perhaps more).

19. The change would also require KEYE-FM to go off the air (or operate at a massively reduced power) for the roughly two or three weeks necessary to disconnect the transmitter, ship it to Boston, have it re-tuned, ship it back, and re-connect it. Even if everything went well and according to plan, the loss of revenue during this period would be significant, but I am unable at this point to estimate the amount of those costs with any accuracy.

20. Moreover, we would incur significant additional costs necessitated by our "rebranding" away from 96.1. We would have to develop a new logo, change all of our signage, replace our banners, re-do our gazebo, obtain new car magnets, buy new bumper stickers and window stickers, print new shirts and jackets, replace all of our give-away items, change our sales order forms, and replace our note cards, stationary, envelopes and business cards. We would have to re-tool the website, re-record all of our announcements, and take innumerable other actions in connection with the re-branding. We also would have to devote significant advertising and marketing efforts

to the re-branding, in order (as much as is possible) to reduce listener confusion and loss. These costs would likely amount to approximately \$30,000.

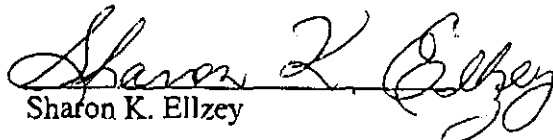
21. In all, the direct costs of the frequency change would likely range from \$50,000 to \$100,000. This cost estimate excludes the cost of downtime and the indirect cost of lost listeners, and assumes that most everything will go according to plan.

22. These costs also exclude many non-financial or indirect costs that we would be forced to endure. It would take significant management time and resources to accomplish the proposed frequency change. The endeavor would be a major distraction from our focus on the business and on delivering top quality programming to the community. These costs may or not be quantifiable or reimbursable, but they are clearly costs that would result from the proposed change.

23. I have reason to believe that Radio Dalhart may be unable or unwilling to pay these costs. I have seen no evidence that Radio Dalhart has the financial wherewithal to sustain these expenditures, and I believe to the contrary that it may not.

I certify that the foregoing is true and correct to the best of my knowledge, information and belief.

Executed in Perryton, Texas on December 19, 2005


Sharon K. Ellzey